

Consent for Additional Borrowing
for Applicants Whose Loans
Were Sold to the
Community Programs Loan Trust 1987-A

With the exception of the graduation requirements, all provisions of the loan documents (promissory notes, bonds, mortgages, loan and bond resolutions, ordinances, financing statements, etc.) were assigned to the Community Programs Loan Trust 1987-A (Trust). One of these provisions states that as long as the Trust owns outstanding loans of the applicant, the applicant must obtain consent from the Trust whenever additional borrowing is needed (including cost overruns).

Consent from the Trust is required for junior borrowing and will be considered on a case-by-case basis. The projections must indicate a positive cash flow, including the existing and proposed debt service and any underfunded reserves.

Consent from the Trust is also required whenever a borrower requests that a lien securing a loan owned by the Trust be subordinated or be on parity with a new lien. The Master Servicing Agreement stipulates that such consent may be granted when the specific provisions in the individual loan document are met. In cases where the loan documents ARE NOT specific, consent may be granted when the following conditions are met:

1. The borrower's net income in the year prior to the request was at least 120 percent of the existing total debt service.
2. The borrower's financial projections indicate that the net income in each of the next 3 years will be at least 120 percent of total projected debt service.
3. A determination by the Trust that granting the request will improve the borrower's debt paying ability and will leave the Trust's loan(s) adequately secured.
4. The terms and conditions of all liens are such that the borrower can reasonably be expected to meet them as well as all other debts.
5. When construction is involved, agents of the Trust will review all contracts, pay estimates, and change orders.

As Master Servicer for the Trust, General Electric Capital Corporation (GECC) is the contact for requesting consent for additional borrowing, subordination, and parity. The applicant, not the Rural Utilities Service (RUS), is responsible for completing the attached "Application To Obtain Additional Funding" and providing GECC with applicable information. In some cases, GECC is required to obtain the consent of State Street Bank and Trust Company, the Class A Indenture Trustee.

Requests should be made to:

General Electric Capital Corporation
P.O. Box 420250
Houston, Texas 77242

For additional information contact:

Pat McEntee, Portfolio Manager

Telephone: 1-800-456-1443, Ext. 4368

Normally, appropriate approval from the Trust should be obtained before the RUS loan is obligated. However, there will likely be a delay between the issuance of the Letter of Conditions (LOC) or Conditional Commitment for Guaranteed and the obligation of the funds because GECC is required to review the LOC or the Conditional Commitment for Guarantee when considering requests for additional funding.

The attached "Notice Agreement" should be executed by the USDA official authorized to execute legal instruments. The original should be sent to GECC. A copy should be attached to the evidence of debt and returned to the official file.

APPLICATION TO OBTAIN ADDITIONAL FUNDING

Page One

Account #: _____ Application Date: _____

Borrower Name: _____

Address: _____

City, State, Zip: _____

President or Chairman: _____

Phone #: () _____

Vice President or Other Official: _____

Phone #: () _____

Borrower Counsel: _____

Phone #: () _____

Address: _____

City, State, Zip: _____

(1) Type of Request: _____ Subordination _____ Parity _____ Consent

(2) Proposed lending institution

Name: _____

City, State, Zip: _____

Contact Person: _____

Application to Obtain Additional Funding

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(3) Describe purpose of loan, amount of loan, and loan repayment terms, including the interest rate:

(4) Specifically describe the requested security/collateral to be provided for the loan.

(5) Any additional information you consider relevant, including the names, addresses, phone numbers, and purposes of any individuals or firms participating in the transaction if not otherwise stated herein.

(6) The following information must accompany this complete application in order to be processed.

- (A) Complete financial statements including a balance sheet, a profit and loss statement, and any notes to the financial statements for the past two fiscal years.
- (B) If the fiscal yearend was more than six months ago, then complete interim financial statements should be forwarded with this application.
- (C) A projected budget for the remainder of the current fiscal year.
- (D) A projected budget for the next three fiscal years, including the impact of the requested additional funding on revenues and expenses.
- (E) A governing body's vote or resolution approving the additional funding.
- (F) A conditional commitment letter from the proposed financing source detailing the proposed loan repayment terms, proposed security/collateral, proposed lien position and proposed interest rate, etc.
- (G) Copies of any studies or documents substantiating the need for any additional funding including, if applicable, any engineering reports.
- (H) Proof of any required property insurance, general liability insurance, workers compensation insurance, fidelity bond coverage, auto liability insurance, and/or malpractice insurance.

We certify that the information in this application is true and correct. We agree to pay all expenses, including attorney fees, related to this request/application. We understand no expenses may be incurred on our behalf without our prior written approval.

(Appropriate Official)

(Date)

(Appropriate Official)

(Date)

**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE**

WHEREAS _____
(hereinafter called "Borrower") is indebted to the Community Program Loan Trust 1987 A,
(hereinafter called "Trust").

WHEREAS the Borrower has applied for a loan in the amount of
\$ _____ to be made by the United States of America, acting by and through
the Rural Utilities Service (hereinafter called the "Government").

PURSUANT to loan documents, subject borrower is required to obtain consent of the
Trust prior to incurring additional debt.

WHEREAS the Trust will not consent to additional borrowing unless or until the
Government executes this agreement.

NOW, THEREFORE, in consideration of the above, the Government does hereby
covenant and agree for itself, successors, and assigns that:

Should foreclosure action be initiated, it will so notify the Trust in writing by delivering said
notice to General Electric Capital Corporation (GECC), 10777 Westthimer Road, Suite
1200, Houston, Texas, 77042, at least 30 days prior to the commencement of such
foreclosure action.

United States Department of Agriculture
Rural Utilities Service

By: _____

Title: _____

ACKNOWLEDGMENT

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me on _____

by _____.

Notary Public

My Commission Expires: _____